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Trade and Accession Facilitation for Afghanistan (TAFA)

USAID's Trade and Accession Facilitation for Afghanistan (TAFA) project aims to generate economic growth, trade, and investment by improving the conditions for international and cross-border trade and transit. The project will help the Government of the Islamic Republic of Afghanistan (GIROA) and the private sector to realize the advantages of greater regional and global trade linkages and export-oriented business development through assistance in three categories: 1) trade policy liberalization, 2) trade facilitation and customs reform, and 3) public outreach on trade-related issues. The project supports regional coordination with a program in Pakistan, and will seek to improve processes and reduce impediments in the following areas affecting Afghanistan's trade and investment environment:

- Development of GIROA capacity to prepare for, negotiate and implement trade agreements for agriculture and non-agriculture sectors;
- Improvement of GIROA inter-ministerial coordination of trade and tariff policy, particularly with respect to implementation of the Afghanistan-Pakistan Transit Trade Agreement (APTTA), the South Asia Free Trade Area (SAFTA), and World Trade Organization (WTO) accession; and institutional arrangements at the border among Ministries of Finance, Commerce, Agriculture and other civilian ministries.
- Reform of customs laws and procedures, revenue collection, information management, budget, organizational structure, and human resource policy, including training in new trade agreements, laws and other reform measures;
- Reduction of time and expense of customs clearance, transport, transshipment, and other border crossing operations – for exports as well as imports; also lessening of corruption opportunities;
- Collection and analysis of trade-related data to inform policy decisions;
- Improvement of export market opportunities through development and adoption of international standards, quality control for export products, and linkages to export promotion assistance;
- Support for trade facilitation zones, along with implementation of expected US Reconstruction Opportunity Zone (ROZ) trade preferences;
- Expansion of business community knowledge of trade policies and trade-related opportunities, and involvement in trade policy development;
- Improvement of Afghan public's awareness of the benefits of a liberal trade regime.

TAFA will result in the Afghan Government's improved capacity to negotiate and implement regional and global trade agreements; increased transparency, and reduced obstacles to trade, including areas such as customs, transport/transit, and border crossing operations; increased transparency and Customs revenue collection returning to the Central Treasury; improved ranking on the World Bank's *trading across borders* indicator as part of the annual Doing Business survey; greater export market opportunities through development and adoption of international product and safety standards and quality control for exports; increased volumes of trade in both agriculture and non-agriculture sectors; and increased understanding of and support for a liberal trade regime by the business community and the public. Afghan counterparts include: Ministry of Commerce, Ministry of Finance, other line ministries, Afghanistan National Standards Authority, Central Statistics Office, and Afghan business associations and exporters.

Project Details: Implemented by Chemonics, November 2009 for five years, \$63 million budget.

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